

## State of Utah Department of Commerce

Division of Securities

FRANCINE A. GIANI Executive Director THAD LEVAR

Deputy Director

WAYNE KLEIN
Director of Securities

**NEWS RELEASE** 

**February 5, 2007** 

Energy Company, Officers Consent to Order Remedying Securities Violations

Hydro-Clean Fuel sold securities that were not registered, failed to make disclosures ...

**SALT LAKE CITY, Utah** – The Utah Division of Securities today entered an Order against Hydro-Clean Fuel Systems, Inc. and Ensentech, Inc., of Gardnerville, Nevada, and two officers, Gary L. Davis of Garland, Utah and Gary G. Scott, of Centerville, Utah. The companies and officers consented to the Order, which requires that they cease and desist from any violations of the securities laws, not raise money from investors without approval by the Division, and pay \$10,000 in fines.

According to the Order, Hydro-Clean and Ensentech are related companies who share an office in Centerville, Utah. The companies raised money from approximately 50 investors in Utah and other states, telling investors the companies were in the business of developing alternative energy sources. The companies had taken money from investors when the stock was not registered and investors did not receive disclosure documents or sales literature.

This case began in September 2005, when the Division issued an Order to Show Cause against the respondents. They have agreed to the entry of this Consent Order. In the Consent Order, the Division finds that Hydro-Clean and its president, Gary L. Davis, omitted to disclose material information to investors relating to the company's operations and business plans. All four were found to have sold securities that were not registered. Gary G. Scott is president of Ensentech.

In conjunction with the entry of this order, Davis and Scott paid a \$10,000 fine. The Division dismissed two other officers of the companies. This action is now concluded against all parties.

Investors are urged to contact the Division to make sure anyone offering investments is licensed. 801.530.6600, or toll free at 1.800.721.7233. www.securities.utah.gov.